

**REMARKS/ARGUMENTS**

Claims 1-4, 6-16 remain in the application.

Claims 1 and 2 are rejected under 35 USC 102(e) as being anticipated by Freeman, et al (USPN 6,450,407).

In Applicant's response to the first Office Action (OA), claim 1 was amended to recite "a store discount is applied to a plurality of specially marked, store discounted items". Applicant respectfully submitted that Applicant's invention is targeted for an in-store, store-based discount for a plurality of items, similar to the Harris-Teeter VIC card, wherein cardholders are offered store discounts on a plurality of items in exchange for submitting personal information so that the store may track buyer shopping patterns. As such, it is a "store" discount, rather than a third-party coupon, that is provided locally. This discount is provided to a plurality of products.

In the most recent OA, the claim still stands rejected on the same grounds. The OA initially submits that Freeman teaches a discount applied to a plurality of products, pointing to the Freeman specification at the following locations: Col. 12, lines 3-22; Col. 11, lines 9-12; Col. 13, lines 35-65; and Col. 14, lines 35-38.

In response, Applicant very respectfully traverses the assertion that Freeman teaches a discount that is applied to a plurality of products. Quite to the contrary, Freeman teaches a discount for a specific product that is tied to a delivered advertisement. This is true even in the sections of the specification referenced by the OA. (For example, at Col. 13, lines 35-65, Freeman states, "The tracking information related to the advertisement information may further include information indicating whether a product related to the advertisement information has been purchased using the chip card.")

Applicant's assertion is confirmed in the OA itself at page 4, element "d", when the Examiner states, "...Freeman fails to teach applying a store discount to the price of all specially marked, store discounted items upon receipt of unique personal identification data." As Freeman fails to teach this limitation, Applicant respectfully

submits that the §102 rejection is overcome. Applicant respectfully requests reconsideration of the rejection in light of these comments.

Claims 3, 4 and 6-16 are rejected under 35 USC 103(a) as being unpatentable over Freeman, et al. (USPN 6,450,407) in view of Swartz, et al. (USPN 6,243,447).

Applicant respectfully traverses this rejection. Specifically, Applicant respectfully submits that neither Freeman nor Swartz teach applying a store discount to a plurality of specially marked items.

Applicant notes that Freeman fails to teach such a system, as noted in the OA on page 5. Applicants note that while the OA submits that Swartz does teach such system at col. 3, lines 40-67 and col. 7, lines 10-17, Applicant can find no suggestion of such a teaching in Schwartz, including in those passages cited by the OA.

At col. 3, lines 40-67, Schwartz talks only of a self-checkout system. There is no mention of either discounting or identifying a customer and then discounting a plurality of specially marked items upon receiving the identification information. While the self-checkout system mentions adjusting a total transaction based upon any paper coupons that a customer may have, it does not teach applying a discount to a plurality of specially marked items. (The paper coupons are read by a bar code reader, element 13 of FIG. 1.)

As neither Schwartz nor Freeman teach all of Applicant's claimed limitations, Applicant respectfully submits that the §103 rejection is overcome. Applicant respectfully requests reconsideration of the rejections in light of these comments.

No amendment made was related to the statutory requirements of patentability unless expressly stated herein. No amendment made was for the purpose of narrowing the scope of any claim, unless Applicant has argued herein that such amendment was made to distinguish over a particular reference or combination of references.

The Applicant believes that the subject application, as amended, is in condition for allowance. Such action is earnestly solicited by the Applicant.

If any matter related to this application would be more easily handled by telephone, Applicant is available by telephone at 770-338-3614. Thank you for your assistance with this application.

Respectfully submitted,

**SEND CORRESPONDENCE TO:**

Motorola, Inc.  
Law Department  
1700 Belle Meade Court  
Intellectual Property  
Lawrenceville, GA 30043  
Customer Number: 27940

By: 

Philip H. Burrus, IV  
Attorney of Record  
Reg. No.: 45,432

Telephone: 770.338.3614  
Fax No.: 770.338.3413